

DEPARTMENT OF SOCIAL SERVICES  
744 P Street, Sacramento, CA 95814



February 3, 1989

ALL-COUNTY LETTER NO. 89-13

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: CHAPTER 1142, STATUTES OF 1988 (SB 2160)

This letter is to inform Counties of statutory changes related to the definition, functions, and responsibilities of Foster Family Agencies (FFA) in the delivery of Child Welfare Services. Senate Bill (SB) 2160 (Chapter 1142, Statutes of 1988) effective September 22, 1988 enacted urgency statutory changes to the Health and Safety Code (H&SC) and the Welfare and Institutions Code (WIC).

The changes are summarized as follows:

1. Health and Safety Code Section 1502 and WIC 11400 are amended to redefine "Foster Family Agency" by stipulating its use on behalf of children who require a level of care which is an alternative to a group home placement.
2. Health and Safety Code Section 1502 is also amended to establish a separate category of adoption agency, "non-custodial adoption agency" and to replace the term "adoption agency" with "full-service adoption agency." Both categories represent licensed entities providing adoption services, but are differentiated by the assumption of care, custody and control of a child.
3. Health and Safety Code Section 1506 is amended to establish minimum educational requirements for social work personnel of an FFA.
4. Section 1506.5 is added to the H&SC to make FFA use of a County licensed foster family home contingent upon County approval. When approval is granted, a written agreement is required to specify FFA and County responsibilities regarding administrative control and case management. During the duration of the agreement, the home shall receive placements through the FFA only.
5. Health and Safety Code Section 1506.5 also clarifies that care, custody or control of the child remains with the placing agency; FFAs perform responsibilities for or on behalf of the child; an FFA is not a placement agency; it selects a home to use for a child.

6. Section 1522.6 is added to the H&SC to require that the State Department of Social Services create an advisory committee by February 1, 1989. The committee, comprised of representatives from the Department of Justice, the County Welfare Directors Association, and the California Association of Services for Children, shall be responsible for developing ways to expedite fingerprint clearances of potential licensed or certified foster parents.
7. Section 1536.2 is added to the H&SC to stipulate that after a placement agency has placed a child with an FFA, an FFA shall subsequently select a Foster Family Home (FFH) or Certified Family Home (CFH) which best meets the needs of the child who has been placed with the FFA.
8. Section 1529.2 is added to the H&SC to require FFAs to supplement the existing community college training provided to their certified family homes.
9. Welfare and Institutions Code Section 11463 is amended to require State Department of Social Services (SDSS) regulations to include and specify the use of FFAs for the provision of emergency shelter care and to require DSS to determine the purposes, types and services of FFAs.
10. Welfare and Institutions Code Section 11462.4 is amended to deem foster family agencies as small businesses.
11. Welfare and Institutions Code Section 11463 is amended to require the SDSS to develop regulations specifying procedures by which an agency can appeal departmental decisions regarding the setting of an agency's rate.
12. Welfare and Institutions Code Section 16514 is amended to clarify that, upon authority of the County worker, comingling of 300, 601 and 602 children is permitted in a certified family home of an FFA as well as a group home and County licensed foster family home.

Revisions to regulation and handbook Sections in Manual of Policy and Procedures (MPP) Divisions 30, 45, and the Community Care Licensing Manual are being initiated to implement the above changes. If you have any questions regarding these statutory changes, please contact your Adult and Family Services Operations Consultant at (916) 445-0623, the Foster Care Program Bureau at (916) 445-0813, or the Community Care Licensing Division at (916) 324-4036.



LOREN D. SUTER  
Deputy Director  
Adult and Family Services

Attachment

cc: County Welfare Directors Association

be increased. Several provisions of this legislation are intended to preclude counties and foster family agencies from attempting to take over families recruited by the other.

SEC. 2. Section 1501.1 of the Health and Safety Code is amended to read:

1501.1. (a) It is the policy of the state to facilitate the proper placement of every child in residential care facilities where the placement is in the best interests of the child. A county may require placement or licensing agencies, or both placement and licensing agencies, to actively seek out-of-home care facilities capable of meeting the varied needs of the child. Therefore, in placing children in out-of-home care, particular attention should be given to the individual child's needs, the ability of the facility to meet those needs, the needs of other children in the facility, the licensing requirements of the facility as determined by the licensing agency, and the impact of the placement on the family reunification plan.

(b) Pursuant to this section, children with varying designations and varying needs, except as provided by statute, may be placed in the same facility provided the facility is licensed, complies with all licensing requirements relevant to the protection of the child, and has a special permit, if necessary, to meet the needs of each child so placed.

(c) Neither the requirement for any license nor any regulation shall restrict the implementation of the provisions of this section. Implementation of this section does not obviate the requirement for a facility to be licensed by the department.

(d) Pursuant to this section, children with varying designations and varying needs, except as provided by statute, may be placed in the same licensed foster family home or with a foster family agency for subsequent placement in a certified family home. Children with developmental disabilities, mental disorders, or physical disabilities may be placed in licensed foster family homes or certified family homes, provided that an appraisal of the child's needs and the ability of the receiving home to meet those needs is made jointly by the placement agency and the licensee in the case of licensed foster family homes or the placement agency and the foster family agency in the case of certified family homes, and is followed by written confirmation prior to placement. The appraisal shall confirm that the placement poses no threat to any child in the home.

For purposes of this chapter, the placing of children by foster family agencies shall be referred to as "subsequent placement" to distinguish the activity from the placing by public agencies.

SEC. 3. Section 1502 of the Health and Safety Code is amended to read:

1502. As used in this chapter:

(a) "Community care facility" means any facility, place, or building which is maintained and operated to provide nonmedical residential care, day treatment, adult day care, or foster family

agency services for children, adults, or children and adults, including, but not limited to, the physically handicapped, mentally impaired, incompetent persons, and abused or neglected children, and includes the following:

(1) "Residential facility" means any family home, group care facility, or similar facility determined by the director, for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual.

(2) "Adult day care facility" means any facility which provides nonmedical care to persons 18 years of age or older in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a 24-hour basis.

(3) "Day treatment facility" means any facility which provides nonmedical care, counseling, educational or vocational support, or social rehabilitation services on less than a 24-hour basis to persons under 18 years of age who would otherwise be placed in foster care or who are returning to families from foster care. Program standards for these facilities shall be developed by the department, pursuant to Section 1530, in consultation with day treatment and foster care providers.

(4) "Foster family agency" means any individual or organization engaged in the recruiting, certifying, and training of, and providing professional support to, foster parents, or in finding homes or other places for placement of children for temporary or permanent care who require that level of care as an alternative to a group home. Private foster family agencies shall be organized and operated on a nonprofit basis.

(5) "Foster family home" means any residential facility providing 24-hour care for six or fewer foster children which is owned, leased, or rented and is the residence of the foster parent or parents, including their family, in whose care the foster children have been placed. The placement may be by a public or private child placement agency or by a court order, or by voluntary placement by a parent, parents, or guardian.

(6) "Small family home" means any residential facility providing 24-hour care for six or fewer foster children who have mental disorders or developmental or physical disabilities and who require special care and supervision as a result of their disabilities.

(7) "Social rehabilitation facility" means any residential facility which provides social rehabilitation services for no longer than 18 months in a group setting to adults recovering from mental illness who temporarily need assistance, guidance, or counseling. Program components shall be subject to program standards pursuant to Section 5458.1.

(8) "Community treatment facility" means any residential facility which provides mental health treatment services to children in a

group setting. Program components shall be subject to program standards developed by the State Department of Mental Health pursuant to Section 5405 of the Welfare and Institutions Code.

Nothing in this section shall be construed to prohibit or discourage placement of persons who have mental or physical disabilities into any category of community care facility that meets the needs of the individual placed, if the placement is consistent with the licensing regulations of the department.

(9) "Adoption agency" means any individual, other than a parent, or entity engaged in the business of providing adoption services, who does any one or more of the following:

(A) Assumes care, custody, and control of a child through relinquishment of the child to the agency or involuntary termination of parental rights to the child.

(B) Assesses the birth parents, prospective adoptive parents, or child.

(C) Places children for adoption.

(D) Supervises adoptive placements.

Private adoption agencies shall be organized and operated on a nonprofit basis.

(b) "Department" or "state department" means the State Department of Social Services.

(c) "Director" means the Director of Social Services.

SEC. 3.5. Section 1502 of the Health and Safety Code, as amended by Section 3 of this act, is amended to read:

1502. As used in this chapter:

(a) "Community care facility" means any facility, place, or building which is maintained and operated to provide nonmedical residential care, day treatment, adult day care, or foster family agency services for children, adults, or children and adults, including, but not limited to, the physically handicapped, mentally impaired, incompetent persons, and abused or neglected children, and includes the following:

(1) "Residential facility" means any family home, group care facility, or similar facility determined by the director, for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual.

(2) "Adult day care facility" means any facility which provides nonmedical care to persons 18 years of age or older in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a 24-hour basis.

(3) "Day treatment facility" means any facility which provides nonmedical care, counseling, educational or vocational support, or social rehabilitation services on less than a 24-hour basis to persons under 18 years of age who would otherwise be placed in foster care or who are returning to families from foster care. Program standards

for these facilities shall be developed by the department, pursuant to Section 1530, in consultation with day treatment and foster care providers.

(4) "Foster family agency" means any individual or organization engaged in the recruiting, certifying, and training of, and providing professional support to, foster parents, or in finding homes or other places for placement of children for temporary or permanent care who require that level of care as an alternative to a group home. Private foster family agencies shall be organized and operated on a nonprofit basis.

(5) "Foster family home" means any residential facility providing 24-hour care for six or fewer foster children which is owned, leased, or rented and is the residence of the foster parent or parents, including their family, in whose care the foster children have been placed. The placement may be by a public or private child placement agency or by a court order, or by voluntary placement by a parent, parents, or guardian.

(6) "Small family home" means any residential facility providing 24-hour care for six or fewer foster children who have mental disorders or developmental or physical disabilities and who require special care and supervision as a result of their disabilities.

(7) "Social rehabilitation facility" means any residential facility which provides social rehabilitation services for no longer than 18 months in a group setting to adults recovering from mental illness who temporarily need assistance, guidance, or counseling. Program components shall be subject to program standards pursuant to Section 5458.1.

(8) "Community treatment facility" means any residential facility which provides mental health treatment services to children in a group setting. Program components shall be subject to program standards developed by the State Department of Mental Health pursuant to Section 5405 of the Welfare and Institutions Code.

Nothing in this section shall be construed to prohibit or discourage placement of persons who have mental or physical disabilities into any category of community care facility that meets the needs of the individual placed, if the placement is consistent with the licensing regulations of the department.

(9) "Full-service adoption agency" means any licensed entity engaged in the business of providing adoption services, who does all of the following:

(A) Assumes care, custody, and control of a child through relinquishment of the child to the agency or involuntary termination of parental rights to the child.

(B) Assesses the birth parents, prospective adoptive parents, or child.

(C) Places children for adoption.

(D) Supervises adoptive placements.

Private full-service adoption agencies shall be organized and

operated on a nonprofit basis.

(10) "Noncustodial adoption agency" means any licensed entity engaged in the business of providing adoption services, who does all of the following:

(A) Assesses the prospective adoptive parents.

(B) Cooperatively matches children freed for adoption, who are under the care, custody, and control of a licensed adoption agency, for adoption, with assessed and approved adoptive applicants.

(C) Cooperatively supervises adoptive placements with a full-service adoptive agency, but does not disrupt a placement or remove a child from a placement.

Private noncustodial adoption agencies shall be organized and operated on a nonprofit basis.

(b) "Department" or "state department" means the State Department of Social Services.

(c) "Director" means the Director of Social Services.

SEC. 4. Section 1506 of the Health and Safety Code is amended to read:

1506. (a) (1) Any holder of a valid license issued by the department which authorizes the licensee to engage in any foster family agency functions, may use only a certified family home which has been certified by that agency or a licensed foster family home approved for this use by the licensing county pursuant to Section 1506.5.

(2) Any home selected and certified for the reception and care of children by that licensee shall not, during the time it is certified and used only by that agency for these placements or care, be subject to the provisions of Section 1508. A certified family home may not be concurrently licensed as a foster family home or as any other licensed residential facility.

(b) (1) A foster family agency shall certify to the department that such home has met the department's licensing standards.

(2) The foster family agency shall issue a certificate of approval to the certified family home upon its determination that it has met the standards established by the department and before the placement of any child in the home.

(3) If the agency determines that the home no longer meets the standards, it shall notify the department and the local placing agency.

(c) The department shall, develop licensing regulations differentiating between foster family agencies which provide treatment of children in foster families and those which provide nontreatment services.

(d) As used in this chapter, "certified family home" means a family residence certified by a licensed foster family agency and issued a certificate of approval by that agency as meeting licensing standards, and used only by that foster family agency for placements.

SEC. 4.5. Section 1506 of the Health and Safety Code, as amended

by Section 1 of Assembly Bill 3139, is amended to read:

1506. (a) (1) Any holder of a valid license issued by the department which authorizes the licensee to engage in any foster family agency functions, may use only a certified family home which has been certified by that agency or a licensed foster family home approved for this use by the licensing county pursuant to Section 1506.5.

(2) Any home selected and certified for the reception and care of children by that licensee shall not, during the time it is certified and used only by that agency for these placements or care, be subject to the provisions of Section 1508. A certified family home may not be concurrently licensed as a foster family home or as any other licensed residential facility.

(b) (1) A foster family agency shall certify to the department that such home has met the department's licensing standards.

(2) The foster family agency shall issue a certificate of approval to the certified family home upon its determination that it has met the standards established by the department and before the placement of any child in the home.

(3) If the agency determines that the home no longer meets the standards, it shall notify the department and the local placing agency.

(c) The department shall, develop licensing regulations differentiating between foster family agencies which provide treatment of children in foster families and those which provide nontreatment services.

(d) As used in this chapter, "certified family home" means a family residence certified by a licensed foster family agency and issued a certificate of approval by that agency as meeting licensing standards, and used only by that foster family agency for placements.

(e) Education requirements for social work personnel for a foster family agency shall be a master's degree from an accredited or state approved graduate school in social work or social welfare, marriage, family, and child counseling, child psychology, child development, counseling psychology, social psychology, or equivalent education and experience, as determined by the state department.

(f) In addition to the degree specifications in subdivision (e), all of the following master's level coursework and field practice shall be required of all new hires for the position of social work personnel effective January 1, 1992:

(1) At least 100 days of field practice in a social service agency setting.

(2) At least nine units of coursework related to children and families.

(3) At least three semester units in working with minority populations.

(4) At least three semester units in child welfare.

Persons who are hired as social work personnel on or after the



effective date of this subdivision, as added by the Statutes of 1988, but prior to January 1, 1992, who do not meet the masters level coursework and 100-day field practice requirement listed in this subdivision shall be required to successfully complete that coursework and field practice by December 31, 1991, in order to remain employed as social work personnel in a foster family agency. For those employees who were hired prior to the effective date of this subdivision, they shall not be required to meet the requirements of this subdivision in order to remain employed as social work personnel in a foster family agency.

(g) The State Department of Social Services shall be required to complete the process for the exception to minimum education requirements for social work personnel within 30 days of receiving the exception application of social work personnel qualifications from the foster family agency.

SEC. 5. Section 1506.5 is added to the Health and Safety Code, to read:

1506.5. (a) Foster family agencies shall not use foster family homes licensed by a county without the approval of the licensing county. When approval is granted, a written agreement between the foster family agency and the county shall specify the nature of administrative control and case management responsibility and the nature and number of the children to be served in the home.

(b) Before a foster family agency may use a licensed foster family home it shall review and, with the exception of a new fingerprint clearance, qualify the home in accordance with Section 1506.

(c) When approval is given, and for the duration of the agreement permitting the foster family agency use of its licensed foster family home, no child shall be placed in that home except through the foster family agency.

(d) Nothing in this section shall transfer or eliminate the responsibility of the placing agency for the care, custody, or control of the child. Nothing in this section shall relieve a foster family agency of its responsibilities for or on behalf of a child placed with it.

SEC. 6. Section 1522.6 is added to the Health and Safety Code, to read:

1522.6. The State Department of Social Services shall create, by February 1, 1989, an advisory committee, including, but not limited to, representatives of the Department of Justice, the County Welfare Directors Association, and the California Association of Services for Children, for the purpose of assisting the department to develop ways to expedite fingerprint clearances of potential licensed or certified foster parents. The department shall report to the Legislature, no later than July 1, 1989, concerning the length of time necessary to clear the fingerprints of the applicants and the measures taken to expedite the clearances. The advisory committee created pursuant to this section shall be terminated on January 1, 1991.

SEC. 7. Article 2.7 (commencing with Section 1529.1) is added to Chapter 3 of Division 2 of the Health and Safety Code, to read:

Article 2.7. Foster Parent Training

1529.1. It is the intent of the Legislature that persons desiring to become, or to continue being, foster parents shall receive training in order to assist them in being effective substitute caregivers and to enhance the safety and growth of children placed with them. There is a need to develop a basic curriculum, a program for continuing education, and specialized training for parents caring for children with unique needs.

1529.2. In addition to the foster parent training provided pursuant to Section 903.7 of the Welfare and Institutions Code, foster family agencies shall supplement the community college training by providing a program of training for their certified foster families.

1529.3. (a) By January 1, 1990, the Legislative Analyst shall report to the Legislature on the status of foster parent training in California. The report shall include, but not be limited to, the following: identification of a desirable basic curriculum of training for foster parents, identification of specialized training needs for foster parents in addition to the basic curriculum; recommendations for whether training should be mandatory for all foster parents; and recommendations on how the training should be funded.

(b) In preparing the report, the Legislative Analyst shall consult with the State Department of Social Services, the Chancellor of the California Community Colleges, the California State Foster Parents Association, the California Association of Services for Children, the County Welfare Directors Association, and other appropriate parties.

SEC. 8. Section 1536.1 of the Health and Safety Code is amended to read:

1536.1. (a) "Placement agency" means any county probation department, county welfare department, county social service department, county mental health department, county public guardian, general acute care hospital discharge planner or coordinator, and regional center for persons with developmental disabilities which is engaged in finding homes or other places for placement of persons of any age for temporary or permanent care.

(b) A placement agency shall place individuals only in licensed community care facilities, facilities which are exempt from licensing under Section 1505 or if the facility satisfies subdivision (c) of Section 362 of the Welfare and Institutions Code, or with a foster family agency.

(c) No employee of a placement agency shall place, refer, or recommend placement of a person in a facility operating without a license, unless the facility is exempt from licensing under Section 1505 or unless the facility satisfies subdivision (c) of Section 362 of the Welfare and Institutions Code. Violation of this subdivision is a

misdemeanor.

(d) Any employee of a placement agency who knows, or reasonably suspects, that a facility which is not exempt from licensing is operating without a license shall report the name and address of the facility to the department. Failure to report as required by this subdivision is a misdemeanor.

(e) The department shall investigate any report filed under subdivision (d). If the department has probable cause to believe that the facility which is the subject of the report is operating without a license, the department shall investigate the facility within 10 days after receipt of the report.

(f) A placement agency shall notify the appropriate licensing agency of any known or suspected incidents which would jeopardize the health or safety of residents in a community care facility. Reportable incidents include, but are not limited to, all of the following:

- (1) Incidents of physical abuse.
- (2) Any violation of personal rights.
- (3) Any situation in which a facility is unclean, unsafe, unsanitary, or in poor condition.
- (4) Any situation in which a facility has insufficient personnel or incompetent personnel on duty.
- (5) Any situation in which residents experience mental or verbal abuse.

SEC. 9. Section 1536.2 is added to the Health and Safety Code, to read:

1536.2. When a placement agency has placed a child with a foster family agency, the foster family agency shall subsequently place in a licensed foster family home or certified family home which best meets the needs of the child.

SEC. 10. Section 11400 of the Welfare and Institutions Code is amended to read:

11400. For the purposes of this article, the following definitions shall apply:

(a) "Aid to Families with Dependent Children-Foster Care (AFDC-FC)" means the aid provided in behalf of needy children in foster care under the terms of this division.

(b) "Case plan" means a written document which at a minimum specifies the type of home in which the child shall be placed, the appropriateness of the home for meeting the child's needs, the agency's plan for ensuring that the child, the family, and foster parents receive services, and the appropriateness of the services provided to the child, in order to meet the child's needs while in foster care, and to reunify the child with his or her family, or, when reunification is not possible, to facilitate an alternate permanent plan.

(c) "Certified family home" means a family residence certified by a licensed foster family agency and issued a certificate of approval by

that agency as meeting licensing standards, and used only by that foster family agency for placements.

(d) "Family home" means the family residency of a licensee in which 24-hour care and supervision are provided for children.

(e) "Foster care" means the 24-hour out-of-home care provided to children whose own families are unable or unwilling to care for them, and who are in need of temporary or long-term substitute parenting.

(f) "Foster family agency" means any individual or organization engaged in the recruiting, certifying, and training of, and providing professional support to, foster parents, or in finding homes or other places for placement of children for temporary or permanent care who require that level of care as an alternative to a group home. Private foster family agencies shall be organized and operated on a nonprofit basis.

(g) "Group home" means a nondetention privately operated residential home of any capacity that provides services in a group setting to children in need of care and supervision, as required by paragraph (1) of subdivision (a) of Section 1502 of the Health and Safety Code.

(h) "Periodic review" means review of a child's status by the juvenile court or by an administrative review panel, which shall include a determination of the continuing need for placement in foster care, evaluation of the goals for the placement and the progress toward meeting these goals, and development of a target date for the child's return home or establishment of alternative permanent placement.

(i) "Permanency planning hearing" means a hearing conducted by the juvenile court in which the child's future status, including whether the child shall be returned home or another permanent plan shall be developed, is determined.

(j) "Placement and care" refers to the responsibility for the welfare of a child vested in an agency or organization by virtue of the agency or organization having (1) been delegated care, custody, and control of a child by the juvenile court, (2) taken responsibility, pursuant to a relinquishment or termination of parental rights on a child, (3) taken the responsibility of supervising a child detained by the juvenile court pursuant to Section 319 or 636, or (4) signed a voluntary placement agreement for the child's placement; or to the responsibility designated to an individual by virtue of his or her being appointed the child's legal guardian.

(k) "Preplacement preventive services" means services which are designed to help children remain with their families by preventing or eliminating the need for removal.

(l) "Relative" means a person who can be a "caretaker relative" of a dependent child under Section 406 of the Social Security Act.

(m) "Voluntary placement" means an out-of-home placement of a minor by (1) county welfare department after the parents or

guardians have requested the assistance of the county welfare department and have signed a voluntary placement agreement; or (2) the county welfare department licensed public or private adoption agency, or the department acting as an adoption agency, after the parents have requested the assistance of either the county welfare department, the licensed public or private adoption agency, or the department acting as an adoption agency for the purpose of adoption planning, and have signed a voluntary placement agreement.

(n) "Voluntary placement agreement" means a written agreement between either the county welfare department, a licensed public or private adoption agency, or the department acting as an adoption agency, and the parents or guardians of a minor which specifies the terms of the voluntary placement.

(o) "Original placement date" means the most recent date on which the court detained a child and ordered an agency to be responsible for supervising the child or the date on which an agency assumed responsibility for a child due to termination of parental rights, relinquishment, or voluntary placement.

SEC. 11. Section 11462.4 of the Welfare and Institutions Code is amended to read:

11462.4. Notwithstanding Section 11342 of the Government Code, group homes and foster family agencies shall be deemed small businesses and the department shall project the impact on group homes and foster family agencies of any new regulations which will affect those community care facilities.

SEC. 12. Section 11463 of the Welfare and Institutions Code is amended to read:

11463. (a) The department, with the advice, assistance, and cooperation of the counties and foster care providers, shall develop and implement a ratesetting system for foster family agencies to be effective no later than July 1, 1985.

No county shall be reimbursed for any percentage increases in payments, made on behalf of AFDC-FC funded children who are placed with foster family agencies, which exceed the percentage cost-of-living increase provided in any fiscal year beginning on or after July 1, 1982, to persons eligible for aid under subdivision (a) of Section 11450.

(b) The department shall develop regulations specifying the purposes, types and services of foster family agencies, including the use of those agencies for the provision of emergency shelter care. Distinction for ratesetting purposes shall be drawn between foster family agencies which provide treatment of children in foster families and those which provide nontreatment services.

(c) The department shall develop and maintain regulations specifying the procedure for the appeal of department decisions about the setting of an agency's rate.

SEC. 13. Section 11463.5 of the Welfare and Institutions Code is

amended to read:

11463.5. (a) The department may perform or have performed audits on all foster family agencies which have received funds on behalf of children receiving assistance under the AFDC-FC program.

(b) The department shall develop and maintain a system for the recovery of overpayments. The department shall seek recovery of unauthorized funds but it shall attempt to do so in a manner which does not jeopardize overall availability of placements for foster children. Nothing in this subdivision shall preclude the department from revoking the license of, or initiating legal procedures against, a foster family agency which violates relevant laws and regulations.

(c) The department shall provide exit interviews with providers wherein deficiencies found are explained and the opportunity exists for foster family agencies to respond.

(d) The department shall develop and maintain regulations specifying the procedure for the appeal of audit findings.

SEC. 14. Section 16514 of the Welfare and Institutions Code is amended to read:

16514. (a) A minor who has been voluntarily placed, adjudged a dependent child of the juvenile court pursuant to Section 300, or as to whom a petition has been filed under Section 325, may be housed in an emergency shelter or, pursuant to the procedures for placement set forth in this code, placed in a foster family home, or with a foster family agency for subsequent placement in a suitable licensed foster family home or certified family home, with minors adjudged wards of the juvenile court pursuant to Section 601.

(b) A minor who has been voluntarily placed, adjudged a dependent child of the juvenile court pursuant to Section 300, or adjudged a ward of the juvenile court pursuant to Section 601, shall not be housed in an emergency shelter with any minor adjudged a ward of the juvenile court pursuant to Section 602.

(c) A minor who has been voluntarily placed, adjudged a dependent child of the juvenile court pursuant to Section 300, or as to whom a petition has been filed under Section 325, shall not be placed or detained in a group home or licensed foster family home or with a foster family agency to be subsequently placed in a certified family home with any minor adjudged a ward of the juvenile court pursuant to Section 601 or 602, unless the social worker or probation officer has determined that the group home or licensed foster family home or foster family agency has a program that meets the specific needs of the minor being placed or detained, and there is a commonality of needs with the other minors in the group home or licensed foster family home or certified family home.

(d) Nothing in this section shall transfer or eliminate the responsibility of the placing agency for the care, custody, or control of the child. Nothing in this section shall relieve a foster family agency of its responsibilities for or on behalf of a child placed with

it.

For purposes of this section, the placing of children by foster family agencies shall be referred to as "subsequent placement" to distinguish the activity from the placing by public agencies.

SEC. 15. It is the intent of the Legislature that the State Department of Social Services develop regulations for foster family agencies requiring those agencies, during the home interview of prospective certified foster parents, to advise the parents about the nature of the training, social work support, and other services available from the agency.

SEC. 16. Section 3.5 of this bill incorporates amendments to Section 1502 of the Health and Safety Code proposed by both this bill and AB 2967. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 1989, but this bill becomes operative first, (2) each bill amends Section 1502 of the Health and Safety Code, and (3) this bill is enacted after AB 2967, in which case Section 1502 of the Health and Safety Code, as amended by Section 3 of this bill, shall remain operative only until the operative date of AB 2967, at which time Section 3.5 of this bill shall become operative.

SEC. 17. Section 4.5 of this bill incorporates amendments to Section 1506 of the Health and Safety Code proposed by both this bill and AB 3139. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 1989, (2) each bill amends Section 1506 of the Health and Safety Code, and (3) this bill is enacted after AB 3139, in which case Section 1506 of the Health and Safety Code, as amended by Section 1 of AB 3139, shall remain operative only until the operative date of this bill, at which time Section 4.5 of this bill shall become operative, and Section 4 of this bill shall not become operative.

SEC. 18. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 19. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that programs for the preservation of foster home services may continue, it is necessary that this act go into immediate effect.